

ASSEMBLY BILL

No. 2622

**Introduced by Assembly Member Nazarian
(Coauthor: Assembly Member Ting)**

February 19, 2016

An act relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2622, as introduced, Nazarian. Property taxation: certificated aircraft assessment.

Existing property tax law requires the personal property of an air carrier to be taxed at its fair market value, and the California Constitution requires property subject to ad valorem property taxation to be assessed in the county in which it is situated. Existing law, for the 2005–06 fiscal year to the 2016–17 fiscal year, inclusive, specifies a formula to determine the fair market value of certificated aircraft of a commercial air carrier, and rebuttably presumes that the amount determined pursuant to this formula is the fair market value of the certificated aircraft. Existing law further requires, until December 31, 2016, the Aircraft Advisory Subcommittee of the California Assessors' Association to designate, after soliciting input from commercial air carriers operating in the state, a lead county assessor's office for each commercial air carrier operating certificated aircraft in this state in an assessment year, and requires the lead county assessor to calculate the value of the air carrier's personal property and to transmit these calculations to other county assessors, but specifies that each county assessor is responsible for assessing and enrolling the taxable value of the property in his or her county, as provided. Existing law also requires, until December 31, 2016, the lead county assessor's office to lead a

team to audit the books and records of commercial air carriers and authorizes these air carriers to file a property statement solely with the lead county assessor's office, as provided.

This bill would state the intent of the Legislature to enact legislation amending the provisions regarding the assessment of certificated aircraft described above.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. It is the intent of the Legislature to enact
- 2 legislation to amend Sections 401.17, 441, and 1153.5 of the
- 3 Revenue and Taxation Code, pertaining to the assessment of
- 4 certificated aircraft for property taxation.